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STATE FOR NEA/ARPI, DRL

E.O. 12958: DECL: 03/07/2016 TAGS: <u>ELAB</u> <u>ETRD</u> <u>ECON</u> <u>AE</u>

SUBJECT: UAE LEGISLATIVE COMMITTEE AMENDS LABOR LAW

Classified By: Ambassador Michele J. Sison for reasons 1.4 (b & d).

- 11. (U) On March 6, the UAE press reported that the Cabinet of Ministers Legislative Committee approved an amendment to the UAE's labor law (Federal Law Number 8 of 1980), which added an article authorizing the Minster of Labor to issue a ministerial decree authorizing labor unions. The amendment will be forwarded to the full cabinet for review.
- 12. (SBU) MinLabor U/S Dr. Khalid Al-Khazraji confirmed the story to econchief. When asked how long it would take to move the amendment through the legislative process to President Khalifa's desk for signature, he replied that he didn't know, but did not think it would be long, as the legislative committee had signed off on it. He also stressed that establishing labor unions pursuant to a ministerial decree would dramatically speed up the process and allow the ministry the ability to revise its labor union regulations more quickly to respond to changing circumstances. Econchief asked whether the ministry had draft regulations prepared, and Khazraji confirmed that it did.
- ¶3. (C) Al-Khazraji asked whether USTR lead negotiators would be meeting with UAE Vice President and Prime Minister Sheikh Mohammed bin Rashid Al-Maktoum (MbR) and other political leaders during the March 13-16 negotiations. When econchief replied that we had requested meetings with MbR, Foreign Minister Sheikh Abdullah bin Zayed Al-Nahyan, and Finance Minister Sheikh Hamdan bin Rashid Al-Maktoum, Al-Khazraji asked that we not only raise labor with the political leadership, but also stress what we were looking for on labor unions, especially in regard to foreign participation. He suggested that the points Congress raised during the Bahrain FTA ratification process would be the relevant points to use. Al-Khazraji said that the Ministry of Labor has made these points with the UAE's leadership, but that it would help to have USTR reinforce the message. (Note: Minister of Labor Ali Al-Ka'abi will be out of the country during the negotiations, so Al-Khazraji said he would take the minister's meeting with Assistant U.S. Trade Representative for Labor Lewis Karesh. End Note.)
- 14. (SBU) Comment: The legislative process in the UAE can be a long one. The relevant ministry drafts a proposal for a new (or amended) law, which is reviewed by the cabinet. It then drafts the law and sends it to the Ministry of Justice for review. After the Ministry of Justice concludes its review (making any necessary technical revisions), the draft law is reviewed by a Cabinet legislative affairs committee before being approved by the cabinet. After the cabinet approves the draft, it is sent either to the advisory Federal National Council or directly to the rulers of the seven emirates (the Federal Supreme Council) for approval. Once it has been approved, it is signed by the President. The law will go into effect once it is published in the Federal

Registry. Once the amended Labor Law is in effect, a ministerial decree to create labor unions, in contrast, will be much quicker to implement and to amend. End Comment. SISON